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1946. Eric Sevareid, one of Velva's favorite sons, was back from Europe and war. He wrote that he had left America "to seek in other places the mainspring of social action for my time, when America was merely the world's hope...I had come home again to find America the world's necessity...America was involved in the world, all its Velvas were in the world....There was still time for America to tip the balance and work its fashion upon the future."

Because of cooperatives like this and the towns of rural America, our nation is still tipping the balance, there's still time, and still a future to fashion. I know because I've seen it: here this morning in a solar collector built by the youngsters of Bismarck Junior College, in a tower that will gauge the strength and power of the wind, and in the membership of this cooperative which may introduce the nation to sun oil and its energy future.

I know because I've seen it this week in the headlines coming out of Venice.

Heads of the world's six major industrial nations followed the United States' lead. They moved to sever the link that binds their economic growth to the Organization of Petroleum Exporting Countries. They pledged to cut dependence on OPEC oil by doubling the use of coal, and increasing the use of nuclear and solar power and synthetic fuels.

The leaders attending the sixth economic summit meeting undertook a major new program to develop the equivalent of 15-20 million barrels of oil per day from other energy sources by 1990.

President Jimmy Carter is telling the nation that we must cut oil imports by almost two-thirds by 1990. And I'm here today, in full recognition of the energy advances already made by farmers, to ask you if you can go one better--5 percent more conservation in 1980.

Remarks prepared for delivery by Secretary of Agriculture Bob Bergland, before the Verendrye Electric Cooperative annual membership meeting, Velva, North Dakota, June 28, 1980, at 12 p.m. EDT

The headlines coming out of Venice are bolder, the numbers bigger, the time span longer, the goal loftier. I'll grant you that. But I can assure you that nothing is more important than the innovations taking place right here right now. Without them America cannot tip the balance and the goals set in Venice are rendered academic.

Last summer, when President Carter announced the nation's first comprehensive energy program, he set targets for reduced oil imports.

In 1960, we imported almost a fifth of our oil consumption and paid \$1.6 billion for it. By 1977, we were importing almost half of our consumption and paying \$45 billion for it.

Last summer it looked like a \$70 billion bill for imported oil this year was a distinct possibility.

1980 has arrived. Our dependence this year won't cost us \$70 billion, but \$90 billion. That's more than \$400 for every man, woman, and child in this country. It's more than the net income of all the Fortune 500 combined.

We need a massive energy program in the United States. In fact, we've needed a master plan for the past 20 years. And for the first time, we've got one. The President's plan outlines the goals, the targets and the alternatives. It's not easy, but it's achievable.

Now we need more. We need on a national plane what Verendrye's got, what Velva's got, what North Dakota and rural America have had for a long time. We need the will to achieve.

Exactly 40 years ago yesterday, H.H. Blackstead threw the switch that first brought power to 30 families from the Verendrye Electric Cooperative.

Verendrye wasn't built in a time of peace. It wasn't built with big money, abundant supplies, or generous government hand-outs.

It was a war-time project. The government allocated hard-to-get copper and hardware for each unit of 125 chickens or 10 beef cattle. The swap of an ox-yoke for pine poles at \$7 apiece was thought a real boon.

But Verendrye wasn't really built with government-allocated hardware and sub-standard line. It was made of tougher stuff.

It was built of clear thinking, a little compassion, and a lot of guts.

Rural people were living and working in the Velva area in a state of drudgery. An electric co-op would relieve their misery and boost agriculture's productivity. And it did.

There wasn't much new about cooperation and progressiveness in North Dakota in those days. They'd been around as long as the people, the Pedersons, the Olsons, Jensons, Eriksons, Hougens, and Olafsons, folks born of the same high rock as one Saave Bergland of Telemark, Norway and Roseau, Minnesota.

A new movie came to Washington, D.C. last winter. Nothing fancy. Black and white photography, low budget, filmed around Crosby, local cast. You may have seen it. It's called "Northern Lights" and it's the story of the founding of the Nonpartisan League.

There's much that's fine in that movie, certainly a story worth the telling. But if our urban friends remember any one line, I hope it's this: "Farming's the only business where you buy retail, sell wholesale or less than wholesale...you're a damn slave."

It took some incisiveness to figure that cooperation was one way out of that market slavery of 1916, and even more in the way of commitment to do something about it.

You've got both in North Dakota, as sure as you've got barley and wheat. And that's why I've come. To learn, to stress that today's crisis is no less a form of market slavery, and to urge you to maintain your high level of energy conservation.

There are no easy solutions, no stock answers to this nation's relationship with energy. We all know that. So I haven't come with prescriptions for what Washington thinks you should be doing.

As far as I'm concerned, you're doing it.

And you've been doing it--seriously conserving and producing energy--long before the rest of the nation acknowledged that the energy crisis was real and as grave a threat to the national security as military danger.

With the same kind of progressiveness that marked the founding of Verendrye, your leaders switched gears in 1977--an historic switch--from consumption to conservation.

At the same time, President Carter warned the nation that the energy crisis was the "moral equivalent of war."

Between 1973 and 1977, three American presidents had discussed a comprehensive energy policy. They'd discussed the interrelationship between inflation, slow productivity growth, international competitiveness, and the energy supply. Yet since 1973 we've increased our dependence on foreign oil by nearly 50 percent. Our foreign oil bill has increased thirty-fold in the last decade.

Early this year, a major national newspaper polled its readers on several issues. Among the responses, the paper found that, "For the first time in more than a year of asking the question, a plurality of Americans believe that 'there really is an energy shortage.'"

That's startling, discouraging. But that's past. What's important is that now Americans believe, they understand, and they'll act on that awareness. They already are--the evidence is starting to come in. Last year Americans reduced their oil consumption by 5 percent.

That's as much an accomplishment of the President's three-year struggle to set a national energy policy as is passage of the windfall profits tax, and Congressional approval two days ago of a \$20 billion synthetic fuels bill. The bill has been sent to the President to sign into law.

The President also asked Congress for--and was denied--a 10-cent-a-gallon fee on petroleum to slow imports. Compare our current 4-cents-a-gallon tax with France's \$1.67 per gallon and Italy's \$1.92 a gallon, and our tradition of consumption isn't difficult to understand. We've been called the "Saudi Arabia of consumption." I believe we've earned the title.

The first point in the President's program eliminates controls that have discouraged exploration for new oil reserves in untapped areas. Some controls already have been removed. This will trigger production that could help us reach our potential of more than a million barrels of oil per day by 1985. The legal basis for deregulating our major energy sources over a phased, careful interval is now in place.

No matter how much oil we produce here at home, it will only replace a small part of our oil imports. That's why the President is focusing in the second, most ambitious and long-term part of his program on developing our other, abundant domestic resources.

This part of the program will require utilities to cut their current use of oil in half by 1990 and encourage them to invest in non-oil fired generators. It will also stimulate the production of synthetic fuels and unconventional gas.

Aggressive pursuit of synthetic fuels development is our chief defense against the double threat of escalating OPEC prices and a politically unstable Middle East.

The windfall profits tax will generate billions of dollars that government, through the Energy Security Corporation, will channel into the private sector as investment incentives. This tax is the catalyst for the entire program. It--and not citizens' over-worked tax dollars--will lessen our dependence on foreign oil. The government will cover the risk involved in developing synthetic fuels and free the private sector to go about its crucial business of producing synfuels, both liquids and gases, from coal, biomass, peat, and oil shale.

Last January the Administration announced an alcohol fuels program whose goal is to increase the nation's capacity to produce gasohol by more than six-fold before the end of 1981.

There were those who labeled the program a quick-fix to minimize the effect of the Soviet grain suspension on farmers. Not so.

The program was the result of the President's gasohol effort begun 18 months before. Its impetus was not the grain suspension but the 100 percent increase in OPEC oil prices in the past year.

This program is a major and long-term policy change. It will be of continuing benefit to farmers. It puts the production of farm commodities for alcohol feedstocks right next to the production of food, feed, and fiber as a major objective of agricultural policy. It includes research and development, technical assistance, information exchange and financial incentives for the construction of commercial and small-scale alcohol facilities.

If Verendrye is any indication, alcohol fuel may find its rival one day in sun oil. Verendrye, Basin Electric, and Midwest Processing Company are planning to start construction soon on a 1,000-ton-per-day sunflower processing plant. The goal is to produce sunflower oil by 1982.

As I understand those plans, sunflower seed hulls--traditionally a waste by-product--will be processed as a renewable fuel, and the William Neal Station will be modified to accommodate the project. That's efficiency--and self-sufficiency--on all counts and I'm proud that USDA is helping to develop North Dakota "flower power" with a \$23 million loan guarantee.

If sun oil one day proves a sound alternative fuel for use in diesel engines, every farm will be an oil well that never runs dry.

Under the third part of the President's program, 20 percent of our total energy needs will come from renewable energy resources and from solar power by the year 2000.

I believe that solar energy will be a major energy source in the long-run. It was my pleasure this morning to lend a hand in installing a solar collector in Mandan. I regard this collector as another example of USDA-state cooperation and a further demonstration of North Dakota progressiveness.

The fourth part of the program concerns what President Carter calls the "best energy." It's also been called the most important "source" of energy and "the outstanding exception" to oil substitutes that require a long time to develop.

It's called conservation.

The President is addressing every citizen who drives or rides in a car, every one who works in a building, who requires heat in winter, and coolness in summer. He is addressing the 52 million Americans who drove to work alone yesterday morning, carrying with them 156 million empty seats, costing the nation almost 30 million gallons of gasoline or the equivalent of 700,000 barrels of oil.

North Dakota may be out front in sun oil, solar and wind energy, and conservation through center pivot irrigation and minimum tillage, but it has an impressive and appropriate backdrop in the extensive conservation program Verendrye has developed for customers and employees.

Were the rest of the nation to adopt this kind of comprehensive approach--and we must--we will realize the President's goal of reducing our average daily gasoline consumption by 400,000 barrels per day in 1980. That's a savings of \$6 billion.

Farmers are in a unique spot when it comes to energy. In a world of graphs and charts, the real significance of energy to agricultural production doesn't show up in the statistics. It simply doesn't compute.

Agricultural production only uses about 3 percent of the nation's total energy consumption. But on that 3 percent depends the American supply of food and fiber. And 93 percent of that small amount--as compared with 74 percent of the national energy use--is petroleum-based. That means something I don't have to explain to this audience: farmers' fuel costs have risen faster than those of the general public. Since the 1973 oil embargo, farm fuel costs have risen nearly 400 percent.

Higher fuel costs mean higher production costs.

North Dakotans will need 258 million gallons of liquid fuel this year to grow and harvest crops from about 22 million acres and to maintain their number one spot in barley production and number two spot in wheat.

Because of spiraling energy costs and their solid rate of productivity in the last decade, America's farmers have reduced the amount of energy used per unit of production. An additional 5 percent saved in liquid fuel this year through proven conservation practices will conserve for the nation 10 million barrels of oil and increase net farm income by \$425 million.

As I stand here today and present the national energy situation and ask whether rural America's record of conservation progress can accommodate a 5 percent increase this year, I want you to know that I, the President, and this administration, are fully aware of the enormous contributions of our farmers.

You're already helping the rest of the nation by buying oil with dollars earned from export trade. This year we expect that trade to hit \$38 billion, \$6 billion over last year, for an agricultural trade surplus of more than \$19 billion.

Now you're saying that you can help us reduce our dependence on foreign oil by producing synfuels, generating wind and solar power, and working your way toward energy self-sufficiency.

I want you to know that we're listening, and observing. And we're impressed.

When President Carter asked the nation on April 29 to commit itself to a massive energy conservation program he said that, "Our country is at one end of a 12,000-mile supply line, and half the oil that we use is on the other end of that supply line."

That statement was made just a few days after the 205th anniversary of Paul Revere's ride across the Boston countryside to warn villagers that the British were marching.

Threats to the national security come in many forms, a nation can be held hostage in many ways. I believe that today's dependence upon a thin line of oil tankers stretching around the globe is as insidious a danger, as grave a threat to our future health and independence as that thin line of redcoats was to our establishing nationhood and declaring independence in 1776.

They were a small band of people in the 1700's, but because they were involved, they tipped the balance and shaped a nation. With the continued commitment of rural America, with our many resources marshalled for achievement, this nation will continue its global involvement, it will tip the balance and shape an energy secure future.

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